So far, seven Public Sector Banks have reported that they have fully implemented the Core Banking Solution.

Non-utilization of foreign aid

†3216. SHRI MANGANI LAL MANDAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Comptroller and Auditor General of India has in its report pointed out that most of the amount received as external and foreign aid for power, road, urban development, water resources, health, agriculture and social sector could not be utilized till 2004-2005;

(b) whether it is a fact that Government pay about Rs. 165 crore as penal interest for not spending the said loan amount; and

(c) if so, its justification and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) A total amount of Rs. 68,423.64 crores committed as foreign loan assistance on Government account, was not drawn at the end of the year 2004-05.

(b) No penal interest was paid for not spending the loan amount. However, an amount of Rs. 165.11 crore was paid as commitment charges during 2004-05.

(c) Utilization of the sanctioned foreign assistance for any project is a continuous process spread over its implementation period. As a result, there would be some unutilized amount at any point of time; these amounts-will be utilized as the project implementation progresses. Moreover, the project implementation authorities like the Central Line Ministries/ Departments, State Governments work under diverse constraints. Some of the steps taken by the Government to improve aid utilization are ensuring adequate provisioning for externally aided projects in the budgets of the State and Central Government, streamlining of procurement procedures, disintermediation of the flow of external aid to Central Public Sector Undertakings, strengthening of Project Monitoring Units in some

† Original notice of the question was received in Hindi.

States and Central Ministries, appointment of Nodal Officers for the States and regular review of projects etc. Details of the commitment charges paid are as follows:

(Figures in Rs. crore)

Development partner	2004-05
Germany	2.07
France	0.00
Asian Development Bank	45.10
IBRD	36.12
IDA	81.82
TOTAL :	165.11

Opening of more LIC branches

3217. SHRI GIREESH KUMAR SANGHI: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal to set up more LIC branches in the country;

(b) if so, the details thereof;

(c) whether there is a proposal to set up more satellite branches in the country; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir.

(b) Does not arise.

(c) and (d) Yes, Sir. Opening of Satellite Offices is an on going process and the Satellite Offices are opened keeping in view, *inter alia,* following parameters:

1. Geographical limits of the area in which the branch operates.
2. No. of Policies that are being serviced by the branch.
3. No. of Development Officers attached with the branch.
4. No. of Agents attached with the branch.